

# Annual Report for 2024

Joint stock company “ALPPES Capital”  
Unified registration number 52103097551



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# Management report

## AS ALPPES Capital operating activities

AS ALPPES Capital is a family investment company (family office), the purpose of which is to grow capital in the long term.

The operating activity of the company is the activity of holding companies, within the framework of which the holding of already made investments (capital shares of existing capital companies, shares and the existing investment portfolio) is carried out, as well as regular investments in both private and publicly listed companies in Latvia and abroad, investments in bonds and various debt securities, as well as issuing loans mainly to affiliated companies in order to achieve the goal of operating activity – capital growth and long-term profit generation as a return from investments, including interest and dividend income.

AS ALPPES Capital is directly or indirectly the largest shareholder and long-term investor in several private and publicly listed companies, such as Eleving Group S.A., DelfinGroup AS, Sun Finance Group AS, Longo Group AS, Mintos Holdings AS. Although these companies were founded in Latvia, their operations cover more than 30 countries in the world and the total annual turnover exceeds EUR 600 million. More than 5,000 employees work in companies in which AS ALPPES Capital is directly or indirectly the leading shareholder, of which approximately one thousand are employed in Latvia. In recent years, these companies have paid an average of more than EUR 25 million annually in taxes to the Latvian state budget.

## Financial results of the company's operation

	2024	2023	2022
Profit for the reporting period	74 818 722	16 767 424	11 509 565
Equity	143 921 510	90 371 587	49 039 465
Total balance assets	145 581 864	93 860 917	58 722 332

## Events in the reporting year

### Summary

AS ALPPES Capital's operating activity is the activity of holding companies. Its main income is dividend and interest income received from related and associated companies. In 2024, AS ALPPES Capital received dividends from several associated companies in the amount of EUR 30.9 million, as well as interest income in the amount of EUR 0.26 million.

The financial result of AS ALPPES Capital's operations in the period from January 1, 2024 to December 31, 2024 was successful, with the Company's profit reaching EUR 74.8 million.

AS ALPPES Capital's financial position can be assessed as very stable. The company's equity at the end of the reporting period reached EUR 143.9 million (an increase of EUR 53.5 million compared to the end of 2023). By the end of 2024, the company has no loans from credit institutions or any other loans, the company carries out its activities and investments from its own capital and received dividends, as well as interest and coupon income.

The total amount of the company's balance sheet assets as of 31.12.2024. reached 145.6 million EUR.

## Investments

In order to expand and diversify the company's asset and investment portfolio, in the reporting year the Company made investments in several public and private companies, purchased bonds of several companies, and also made long-term investments in alternative investment funds.

### Investments in company shares and capital

During the reporting period, AS ALPPES Capital made several significant investments in financial services companies, including UAB Goindex, which is a rapidly growing, licensed pension fund management company in Lithuania. In addition, AS ALPPES Capital purchased shares and made investments in the following publicly listed companies in the Baltics and Scandinavia: Šiauliai Bankas (Lithuania), Coop Pank (Estonia), LHV Group (Estonia), IPAS INDEXO (Latvia), Swedbank AB (Sweden), Skandinaviska Enskilda Banken (SEB, Sweden), Handelsbanken (Sweden), Nordea Bank (Finland).

At the end of 2024, the Company also bought the shares of the used car trading company KAMUX. KAMUX is the largest company in the industry in Finland, a TOP7 company in Sweden, and is also growing and developing rapidly in the German market. Kamux shares are listed on Nasdaq Helsinki.

The total investment portfolio of AS ALPPES Capital in the above-mentioned and publicly quoted, mainly bank shares as of 31.12.2024. amounted to 4.7 million EUR.

## Purchase of bonds

During the reporting period, AS ALPPES Capital also made investments in bonds of various companies, which provide regular coupon revenues. The total bond portfolio at the end of 2024 amounted to EUR 4.2 million.

## Investments in alternative investment funds

AS ALPPES Capital also made long-term investments in several alternative investment funds managed by Merito Partners, which implement growth capital, sustainable energy and real estate investment strategies.

Investments were made in the following alternative investment funds managed by Merito Partners: Merito Sustainable Energy Fund I, Merito Self Storage Fund, Merito Growth Capital Fund I, Merito Real Estate Special Fund I, Merito Real Estate Special Fund II, Merito Real Estate Special Fund III, Merito Management Target Fund II.

Total investments in investment funds managed by Merito Partners by the end of 2024 amounted to EUR 14.6 million.

As of the date of approval of this report, the Company's management concludes that the going concern principle is applicable in the preparation of this financial statements.

## Company's shares and a set of shares

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The company does not own and did not own its own shares in the reporting year.

## Company's branches and representative offices in foreign countries

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The company does not have a branch or a representative office in foreign countries.

## Significant risks and uncertain circumstances

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Despite the uncertain economic and geopolitical situation in Latvia and around the world, the Company has had a financially successful year 2024.

The management of the company, expressing cautious forecasts, believes that it will be able to overcome the uncertain economic situation and will also end 2025 with a good financial result. This conclusion is based on the information available at the time of signing this financial report, the impact of future events on the Company's operations in the future may differ from management's assessment.

## Management of the significant financial risks

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The most significant financial risks of the company are related to financial instruments. The main task of these financial instruments is to ensure the revenues of the Company's economic activity. The main financial risks related to the Company's financial instruments are interest rate risk, liquidity risk, issuer risk, market risk, currency risk and price risk.

The company constantly pays increased attention to all risks related to financial instruments, as well as evaluates their suitability for achieving its goals.

The reporting period is from January 1, 2024 to December 31, 2024.

## Notification of events after the balance sheet date until the signing of the annual report

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In the period from the last day of the reporting period to the date of signature of this financial statement, there have been no events and significant risks, as a result of which adjustments should be made to this financial statement or which should be explained in this financial statement.

Board

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Aigars Kesenfelds  
Chairman of the Board

February 21, 2025

# Balance Sheet

# Balance Sheet

Assets	Note	31.12.2024. EUR	31.12.2023. EUR
I. Non-current assets			
I. Intangible assets			
2. Concessions, patents, licences, trademarks and similar rights		0	45
3. Other intangible assets		1 656	474
Intangible assets total	1	1 656	519
II. Fixed assets			
6. Other fixed assets and inventory		9 250	14 764
Fixed assets total	2	9 250	14 764
III. Long-term financial investments			
1. Investments in subsidiaries	3	682 500	0
2. Loans to related companies	4	30 000	0
3. Investments in associates	3	104 992 947	50 770 707
4. Loans to associates	5	0	703 050
5. Other securities and investments	6	33 582 819	29 547 769
6. Other loans and other long-term receivables	7	193 231	92 608
Long-term financial investments total		139 481 497	81 114 134
Non-current assets total		139 492 403	81 129 417
II. Current assets			
I. Inventory			
1. Raw materials		22	27
Inventory total	8	22	27
II. Receivables			
1. Trade receivables		699	10 114 896
3. Receivables from associates		0	1 340 956
4. Other receivables		3 834 772	551 905
7. Prepaid expenses		455	2 587
8. Accrued income		93 840	0
Receivables total	9	3 929 766	12 010 344
IV. Cash	10	2 159 673	721 129
Current assets total		6 089 461	12 731 500
Total assets		145 581 864	93 860 917

The accompanying notes on pages 16 to 31 form an integral part of these financial statements.

# Balance Sheet

EQUITY AND LIABILITIES	Note	31.12.2024. EUR	31.12.2023. EUR
I. Equity			
1. Share capital	11	69 020 845	40 820 845
6. Retained earnings (uncovered losses) of previous years		81 943	32 783 318
7. Profit or loss of the reporting year		74 818 722	16 767 424
	Equity total	143 921 510	90 371 587
III. Liabilities			
I. Non-current liabilities			
3. Loans from credit institutions	12	0	1 286 866
4. Other loans	13	0	892 950
11. Other payables	14	3 988	4 938
	Non-current liabilities total	3 988	2 184 754
II. Current liabilities			
4. Other loans	15	0	1 264 080
6. Trade payables to suppliers and contractors	16	2 118	7 887
10. Taxes and mandatory state social insurance contributions	17	12 461	20 443
11. Other payables	18	12 691	12 166
13. Unpaid dividends	19	1 015 000	0
14. Accrued liabilities	20	614 096	0
	Current liabilities total	1 656 366	1 304 576
	Liabilities total	1 660 354	3 489 330
	Total equity and liabilities	145 581 864	93 860 917

The accompanying notes on pages 16 to 31 form an integral part of these financial statements.

# Profit and Loss Statement

# Profit and Loss Statement

(by function of expenses)

	Note	2024 EUR	2023 EUR
1. Net turnover			
b) from other types of principal activity	21	13 618 739	23 669 203
2. Costs of goods sold or services provided	22	-13 961 021	-24 387 615
3. Gross profit or loss		-342 282	-718 412
4. Selling expenses	23	-106 862	-43 673
5. Administrative expenses	24	-136 615	-247 763
6. Other operating income	25	45 343 944	3 640 515
7. Other operating expenses	26	-868 505	-7 512 656
8. Income from investments:			
b) investments in associates companies		30 098 333	21 226 235
c) investments in other companies		762 561	0
10. Other interest and similar income:			
a) from related companies		3 486	0
b) from other persons		259 436	866 694
12. Interest and similar expenses:			
b) to other persons		-186 546	-416 938
13. Profit or loss before corporate income tax		74 826 950	16 794 002
14. Corporate income tax for the reporting year		-8 228	-26 578
15. Profit or loss after calculation of corporate income tax		74 818 722	16 767 424
18. Profit or loss for the reporting year		74 818 722	16 767 424

The accompanying notes on pages 16 to 31 form an integral part of these financial statements.

# Statement of Cash Flows

# Statement of Cash Flows

(by indirect method)

	2024 EUR	2023 EUR
<b>I. Cash flows from operating activities</b>		
1. Profit or loss before corporate income tax and extraordinary items	74 826 950	16 794 002
Adjustments:		
a) depreciation of fixed assets;	9 929	20 221
b) amortization of intangible assets;≡	315	468
d) gains or losses from fluctuations in foreign exchange rates;	62	0
e) income from investments in subsidiaries and associates;	-30 860 894	-21 226 235
h) changes in value of long-term and short-term financial investments	-45 174 554	12 015 149
i) interest and similar expenses.	-76 376	-449 756
2. Profit or loss before adjustments to current assets and current liabilities	-1 274 568	7 153 849
Adjustments:		
a) increase / decrease in trade and other receivables	6 739 622	-269 703 60
b) increase / decrease in inventory balances	5	-27
c) increase / decrease in trade and other payables	610 706	-4 407 167
3. Gross cash flow from operating activities	6 075 765	-24 223 705
4. Interest payments	-186 546	-416 938
5. Corporate income tax payments	-19 013	-15 186
<b>6. Net cash flow from operating activities</b>	<b>5 870 206</b>	<b>-24 655 829</b>
<b>II. Cash flows from investing activities</b>		
1. Purchase of stocks and shares in subdiaries, associates and other companies	-9 730 194	-20 872 086
2. Proceeds from disposal of shares or stocks of subsidiaries or associates	0	-318 546
3. Acquisition of investments and securities	-4 035 043	0
4. Purchases of fixed and intangible assets	-5 867	-22 288
5. Loans issued	-12 100 492	0
6. Loans repaid	14 013 875	1 379 696
7. Interest received	262 922	866 694
8. Dividends received	30 860 894	21 226 235
<b>9. Net cash flow from investing activities</b>	<b>19 266 095</b>	<b>2 259 705</b>
<b>III. Cash flows from financing activities</b>		
1. Proceeds from the issuance of shares and bonds or equity shares	28 200 000	2 699 845
2. Income from retained earnings of merged companies	0	38 216 153
3. Loans received	0	5 366 612
4. Loans repaid	-3 443 896	-7 164 373
5. Dividends paid	-48 453 799	-16 351 300
<b>6. Net cash flow from financing activities</b>	<b>-23 697 695</b>	<b>22 766 937</b>
<b>IV. Result of fluctuations of foreign currency exchange rates</b>	<b>-62</b>	<b>0</b>
<b>V. Net increase/(decrease) in cash and cash equivalents</b>	<b>1 438 544</b>	<b>370 813</b>
<b>VI. Cash and cash equivalents at the beginning of the period</b>	<b>721 129</b>	<b>350 316</b>
<b>VII. Cash and cash equivalents at the end of the period</b>	<b>2 159 673</b>	<b>721 129</b>

The accompanying notes on pages 16 to 31 form an integral part of these financial statements.

# Statement of Changes to the Shareholder's Equity

# Statement of Changes to the Shareholder's Equity

Type of change	Share capital EUR	Reserves <sup>≡</sup> defined in laws EUR	Revaluation <sup>≡</sup> reserve EUR	Other <sup>≡</sup> reserves EUR	Retained <sup>≡</sup> earnings EUR	Total EUR
Balance as of 31.12.2022.	38 121 000	0	0	0	10 918 465	49 039 465
Increase/ decrease of share capital	2 699 845					2 699 845
Merged companies' retained earnings					32 764 853	32 764 853
Dividends					-10 900 000	-10 900 000
Net profit or loss of the reporting year					16 767 424	16 767 424
Balance as of 31.12.2023.	40 820 845	0	0	0	49 550 742	90 371 587
Increase/ decrease of share capital	28 200 000					28 200 000
Dividends					-49 468 799	-49 468 799
Net profit or loss of the reporting year					74 818 722	74 818 722
Balance as of 31.12.2024.	69 020 845	0	0	0	74 900 665	143 921 510

The accompanying notes on pages 16 to 31 form an integral part of these financial statements.

# Notes to the financial statements

# Notes to the financial statements

## General information

Name of the Company	AS “ALPPES Capital”	
Legal status of the Company	Joint stock company	
Registration No., place and date	52103097551, Liepaja, 21.08.2019.	
Legal address	12 Juras street, Liepaja	
Board	Aigars Kesenfelds	Chairman of the Board
Shareholders	Aigars Kesenfelds 100%	
Core business activities	Activities of holding companies (6420 NACE 2.red.)  Other credit granting (6492 Nace 2.red.)  Other financial service activities, except insurance and pension funding (6499 Nace 2.red.)	
Reporting year	01.01.2024.	31.12.2024.
Information about subsidiaries	Entrum AS / 6-22 Skunu street, Rīga, LV-1050, owned 97,82608%  ALPPES Asset Management SIA / 12 Juras street, Liepaja, LV-3401, owned 100%  ALPPES Treasury SIA / 12 Juras street, Liepaja, LV-3401, owned 100%  Next Mile Group SIA / 5-2 Krisjana Barona street, Rīga, LV-1050, owned 100%	
Information about associates	Wash and Drive SIA / 97A Krasta street, Riga, owned 50% of shares  Longo Group AS / 72A Mukusalas street, Riga, owned 45,337909% of shares  Eleving Group S.A. / 8-10, Avenue de la Gare, Luxembourg, owned 37.309% of shares  PUZZLE INTERNATIONAL AS / 13 Alberta street, Riga, owned 47.47% of shares  CI HOLDING AS / 13 Alberta street, Riga, owned 46.12568% of shares  Mintos Holdings AS / 50 Skanstes street, Riga, owned 29.69% of shares	
Information about other companies	DelfinGroup AS / 50A Skanstes street, Riga, owned 18.24% of shares  Goindex UAB / Lvivo g. 25-701, LT-09320 Vilnius, owned 5.10% of shares  Vorto SIA / 2 Ziedleju street, Marupe, owned 16.37% of shares  Timbro Group SIA / 1 Roberta Hirša street, Riga, LV-1045, owned 0.0028% of shares  Grenardi Group AS / 17A-11 Lielirbes street, Rīga, owned 2.6499% of shares	
Auditor	Marija Jansone Certified auditor of the Republic of Latvia LACA Certificate No. 25	AS Nexia Audit Advice 1 Mihaila Tala street, Rīga, Latvia, LV-1045 Reg. No. 40003858822 License No. 134

# Notes to the financial statements (continued)

## Basis of preparation of the financial statements

The Company's financial statements (hereafter – financial statements) have been prepared in accordance with the law "Accounting Law", the Law on Annual Reports and Consolidated Annual Reports, Cabinet of Ministers Regulation No.775 of December 22, 2015 "Application of the Law on Annual Reports and Consolidated Annual Reports".

The financial statement have been prepared under the historical cost basis. The monetary unit used in the financial statements is the currency of the Republic of Latvia, the euro (EUR). Compared to the previous reporting year, the accounting and valuation methods used by the Company have not changed.

The profit or loss statement is classified by function of expense.

## Applied accounting principles

The annual report is prepared in accordance with the following principles:

- a) the assumption that the Company will continue as a going concern;
- b) consistent valuation principles with those used in the prior year;
- c) items are valued in accordance with the principle of prudence:
  - the financial statements reflect only the profit generated to the balance sheet date;
  - all expected risk amounts and current or prior year losses are taken into consideration, even if discovered within the period from the last day of the reporting year to the date of preparing these financial statements;
  - all amounts of impairment and depreciation are calculated and taken into consideration irrespective of whether the financial result was a profit or loss;
- d) revenues and expenses for the reporting year are taken into consideration irrespective of the payment date or the date when the invoice was received or issued, income and expenses are matched;
- e) assets and liabilities are valued separately;
- f) the opening balance agrees with the prior year closing balance;
- g) all items having a material impact on the evaluation or decision making by the users of the financial statements are presented, immaterial items are aggregated and their details are disclosed in the notes;
- h) business transactions are recorded according to their substance and economic reality and not merely their legal form.
- i) items in the balance sheet and profit and loss statements are valued at acquisition or production cost. The acquisition cost of goods or services is the purchase price of a good or service (less any discounts received), to which additional expenses related to the purchase are added. The cost of production is the cost of purchasing raw materials, basic materials and auxiliary materials and other expenses that are directly related to the production of the relevant object. The cost of production may also include parts of costs that are indirectly related to the production of the object, as long as these costs are attributable to the same period.

## Contingent liabilities and assets

There are no contingent liabilities recognized in these financial statements. Contingent liabilities are recognized, only when the possibility of the outflow of assets becomes sufficiently justified. Contingent assets in these financial statements are not recognized, but are reflected only when, the possibility that the economic benefits arising from a transaction will inflow into the Company becomes sufficiently justified.

## Currency and foreign exchange revaluation

The functional currency of the company and the currency used in the financial statements is the currency of the Republic of Latvia, the euro. All transactions in foreign currencies are revalued into euro at the official exchange rate of the European Central Bank, valid at the beginning of the day of the transaction. Monetary assets and liabilities expressed in foreign currency are converted into euro according to the applicable foreign exchange rate effective at the end of the last day of the reporting year.

Exchange differences arising on the settlement or on the recognition of assets and liabilities using exchange rates that differ from those originally used in accounting for transactions are recognized in the profit or loss statement on a net basis.

## Non-current and current classification

Non-current items include amounts that are due to be received, paid or written-off later than one year after the end of the respective reporting year. Amounts receivable, payable or written-off during the year are reported as current items.

## Related party transactions

Related parties are the shareholders of the Company, members of the Board (Company's highest management authorities) and companies that control and have significant influence over the Company in making business decisions, and close family members of the above individuals, as well as companies controlled by them or which have a significant influence over them. Related parties also include companies in which the Company has significant influence or control.

## Related companies

Related company is a company that is directly or indirectly controlled by another company (parent company – more than 50% of the voting rights in this company). The parent company controls the financial and business policy of the subsidiary. The company recognizes income from the investment only when it receives a distribution of profits generated after the acquisition date. The distribution received in excess of this profit is treated as the cost of recovery of the investment and is reflected as a reduction of the cost of acquisition of the investment in the capital of related companies.

## Associate companies

An associate company is a company in which another company has investments in shares and whose operating and financial policy is subject to significant influence by that other company, which is ensured by not less than 20% and not more than 50% of the voting rights of the shareholder.

## Own Shares and Participation in Other Companies

The Company indicates the acquired own stocks or shares in the balance sheet item "Own stocks and shares", but investments in the share capital of other companies indicates in the balance sheet items "Participation in the capital of related companies", "Participation in the capital of associated companies" or "Other investments and securities".

## Intangible and fixed assets

All intangible and fixed assets are initially valued at cost.

Acquired assets are recognized as fixed assets if their value exceeds 100 euros. Acquired assets under 100 euros are listed as low-value inventory.

The acquisition value of fixed assets consists of the purchase price, import duties and non-deductible purchase taxes, other costs directly attributable to the acquisition, costs attributable to bringing the asset to its location and prepare it in working condition for its intended use.

Only the rights acquired for consideration are reflected as "Concessions, patents, licenses, trademarks and similar rights".

Intangible and fixed assets are stated at cost less accumulated depreciation. Depreciation for fixed and intangible assets is calculated using the straight-line method over the useful life period of the respective fixed and intangible assets to write down the value of the fixed and intangible asset to its estimated residual value at the end of the useful life period, using the management's determined depreciation rates.

Depreciation is calculated starting from the first day of the next month after the intangible or fixed asset is put into operation for its intended purpose. Land is not depreciated. Depreciation is calculated separately for each part of the fixed asset, the cost of which is significant in relation to the total cost of this fixed asset. If the Company separately depreciates some parts of the fixed asset, then the remaining parts of the same fixed asset are also depreciated separately. The remaining balance consists of those parts of the fixed asset that are not individually important. Depreciation of the remaining parts is calculated using approximation methods to truly reflect their useful lives.

If any events or changes in circumstances indicate that the carrying value of fixed assets may be irrecoverable, the value of the respective fixed assets is reviewed to determine their impairment. If there are indications of irrecoverability and if the asset's carrying amount exceeds the estimated recoverable amount, the asset or cash-generating unit is written down to its recoverable amount. The recoverable amount of the fixed asset is the greater of the net realizable value and the value in use.

Gains or losses from the sale of fixed assets are reflected in the profit or loss statement of the relevant period.

The costs of repair and renewal works that increase the useful life or value of fixed assets are capitalized and written-off over their useful life. The other costs of repair and renovation works are recognized as expenses of the reporting period.

## Development costs

Development costs are costs that are directly attributable to development activities or that can be reasonably linked to these activities.

## Inventory

Inventories are recorded at the lower of their cost and net-realizable value under the periodic inventory count method.

The costs incurred in bringing the inventories to its present location and condition are accounted for as follows:

- materials and purchased goods are accounted for according to their acquisition costs using a weighted-average price method.

Net realisable value is the estimated selling price in the ordinary course of business less the expected completion and sales costs. Net realisable value is recognised as cost less any provisions for slow-moving inventory.

## Receivables

Receivables are recorded at the original invoice amount, assessing each debtor separately and concluding that the debt is expected to be repaid, bad debts are written off. Provisions for doubtful debts are made in cases where management believes that the collection of the full amount of the debt is doubtful. Debts are written off if their recovery is considered impossible.

## Other receivables

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In the item "Other receivables", the company includes receivables that cannot be presented in other items, including overpaid taxes, debit balances of payables.

## Prepaid expenses and deferred income

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Payments made before the balance sheet date but relating to subsequent years are presented as "Prepaid expenses".

Payments received before the balance sheet date, but relating to subsequent years are presented as "Deferred income".

## Cash

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Cash and cash equivalents consist of current bank account balances and cash at the cash register.

## Share capital

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"Share capital" presents the amount of shares according to the amount registered in the Commercial Register.

## Payables

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The Company indicates accounts payable according to supporting documents; liabilities that fall due later than 12 months after the balance sheet date are recorded as long-term liabilities.

## Loans and borrowings

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Loans and borrowings are recorded at their original amount, based on the expected repayment period - non-current or current liabilities.

## Lease

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Finance lease transactions, within which the Company is given all the risks and rewards arising from the ownership of the leased object, are recognized in the balance sheet as fixed assets for an amount that corresponds to the fair value of the leased property at the beginning of the lease, or, if it is less, for the present value of the minimum lease payment. Finance lease payments are divided between finance expenses and amortization of the liability to ensure a constant interest rate on the balance of the liability. Finance costs are included in the profit or loss statement as interest costs.

If there is sufficient reason to believe that at the end of the lease period, the relevant leased object will become the lessee's property, the estimated time of use is assumed to be the useful use of this asset. In all other cases, capitalized leased assets are depreciated using the straight-line method over the shorter of the estimated useful lives of the assets or the lease period.

Lease of assets, in which practically all the risks arising from the ownership rights are retained by the lessor, is classified as an operating lease. Lease payments under an operating lease are expensed over the lease term using the straight-line method. The Company's liabilities arising from operating lease agreements are reflected as off-balance sheet liabilities.

## Provisions

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Provisions are recognized when the Company has a current obligation (legal or constructive) as a result of a past event, and there is a probability that the fulfilment of these obligations will require an outflow of economic benefits from the Company, and the amount of the obligation can be estimated reliably. If the Company expects that the expenses required to settle a provision will be partially or fully reimbursed, for example, within the framework of an insurance contract, the reimbursement of these expenses is recognized as a separate asset only when it is virtually certain that these expenses will be reimbursed. The costs associated with any provision are reflected in the statement of profit or loss less the amounts that have been recovered.

## Accrued income

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Accrued income is recognized if the Company has legally or otherwise justified revenue arising from past events, and it is probable that the revenue will flow to the Company, and this revenue can be reliably estimated and measured.

## Accrued liabilities

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Accrued liabilities are recognized if the Company has a legal or other constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

## Accrued liabilities for unused annual leave

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The amount of accrued liabilities for unused annual leave is determined by multiplying the average daily remuneration of employees in the last six months of the reporting year by the number of accrued unused vacation days at the end of the reporting year.

## Prepayments received from purchasers

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Prepayment received from purchaser is a payment, according to the concluded agreement, the purchaser makes to the seller before he receives goods or services.

## Other payables

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In the item "Other payables", the company includes payables that cannot be presented in other items, as well as credit balances of receivables.

## Dividends

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Dividends are payments made by the Company to its shareholders. Dividends are paid to the shareholder in proportion to the nominal value of the shares held by him.

## Taxes and statutory social insurance contributions

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The Company reconciles tax information with the tax administration. In the composition of liabilities, the Company shows only tax payables, all overpayments are presented as other receivables.

## Recognition of revenue

Revenue is recognised when it is probable that future economic benefits associated with the item of revenue will flow to the entity, and the amount of revenue can be reliably estimated, net of value-added tax and sales discounts. The following conditions are also taken into account when recognising revenue:

### Sale of goods

Revenue from the sale of goods is recognised if all of the following conditions are met:

1. The Company has transferred the significant risks and rewards of ownership of the goods to the buyer;
2. The Company does not retain ownership rights and effective control over the goods sold;
3. It is probable that the Company will receive business-related economic benefits;
4. The costs incurred or to be incurred concerning the transaction can be reliably measured.

The Company reflects the sale of goods taking into account the economic nature of the transaction, not merely the legal form.

### Provision of services

Revenue from services is recognized in the period in which the services are rendered.

Revenue from services and related costs are recognized by reference to the stage of completion of the transaction at the balance sheet date.

If the outcome of a transaction involving a service cannot be estimated reliably, revenue is recognized only to the extent of the costs recognized that are recoverable.

### Other income

Other income is revenue that is not included in net turnover, is generated as a result of or related to principal activity or directly arises from it. Other income is recognized as follows:

- income from fines and penalties – at the time of receipt;
- income from the sale of fixed assets – net value, profit or loss from the sale of fixed assets is calculated as the difference between the book value of the fixed asset and the proceeds from the sale and is included in the income statement for the period in which they arose;
- foreign exchange gains – net worth, foreign exchange gains or losses are calculated as the difference between foreign exchange gains and losses and are included in the profit or loss statement in the period in which they arise;
- interest income from credit institutions registered in the Republic of Latvia on current account balances – at the time of receipt;
- income from dividends – at the moment when the legal right to receive them arises;
- other income – as it arises.

## Expense recognition

Expenses are recognized and accounted for on an accrual basis, which requires that expenses are recognized in the period in which they are incurred, regardless of the receipt or payment of cash.

Expenses consist of an outflow of economic benefits resulting from the use of assets, depreciation, disposal or the incurrence or increase of liabilities and which reduces equity.

Expenses are recognized in accordance with the established procedure if:

- the use of resources has occurred or is expected;
- the amount of the expense can be reliably estimated.

## Corporate income tax

Corporate income tax is determined in accordance with the Corporate Income Tax Law (in force from 01.01.2018) and Cabinet of Ministers Regulation No. 677 of 14 November 2017 “Regulations on the Application of the Provisions of the Corporate Income Tax Law”. The law provides for the deferral of tax payment until the moment when profit is distributed or otherwise directed to expenses that do not ensure the further development of the taxpayer, i.e., the application of the tax is postponed from the moment of profit generation to the moment of profit distribution. Thus, tax will have to be paid regardless of the amount of income generated during the year only if the taxpayer distributes profit in dividends or has equivalent distributions, incurs expenses not related to economic activities, makes increased interest payments, provides loans to related parties, etc.

## Events after the balance sheet date

The financial statements reflect events after the balance sheet date that provide additional information about the Company's financial position at the balance sheet date (adjusting events). If the events after the end of the reporting year are not adjusting, they are reflected in the notes to the financial statements only if they are significant.

	31.12.24. EUR	31.12.23. EUR
<b>1. Average number of employees</b>		
Board member	0	1
Council members - without remuneration	0	0
Other employees	7	6
Total	7	7
<b>2. Staff costs total</b>		
- salaries	219 345	257 945
- state mandatory social insurance contributions	51 227	60 212
Total	270 572	318 157
<b>a) salary of staff employed in the main activity</b>		
- salaries	219 345	193 502
- state mandatory social insurance contributions	51 227	46 043
Total	270 572	239 545
<b>b) salary of administrative staff – board remuneration</b>		
- salaries	0	64 443
- state mandatory social insurance contributions	0	14 169
Total	0	78 612

# Notes to the balance sheet

## 1. Overview of intangible assets

	Licenses and similar rights	Other intangible assets	Total
Initial cost as of 31.12.2023.	392	605	997
Additions in the year	0	1 452	1 452
Initial cost or revalued amount as of 31.12.2024.	392	2 057	2 449
Accumulated amortization as of 31.12.2023.	347	131	478
Amortization expense	45	270	315
Accumulated amortization as of 31.12.2024.	392	401	793
Net carrying amount as of 31.12.2023.	45	474	519
Net carrying amount as of 31.12.2024.	0	1 656	1 656

## 2. Overview of fixed assets

	Real estate	Equipment and machinery	Other fixed assets	Construction in progress	Prepayments	Total
Initial cost as of 31.12.2023.	0	0	34 878	0	0	34 878
Additions in the year			4 415			4 415
Write-off in the year						
Revalued in the year						
Initial cost or revalued amount as of 31.12.2024.	0	0	39 293	0	0	39 293
Accumulated depreciation as of 31.12.2023.	0	0	20 114	0	0	20 114
Depreciation expense			9 929			9 929
Increase						
Write-off in the year						
Revalued in the year						
Accumulated depreciation as of 31.12.2024.	0	0	30 043	0	0	30 043
Net carrying amount as of 31.12.2023.	0	0	14 764	0	0	14 764
Net carrying amount as of 31.12.2024.	0	0	9 250	0	0	9 250

## 3. Overview of long-term financial investments

	Investments in subsidiaries	Investments in associates	Total
Initial cost as of 31.12.2023.	0	50 770 707	50 770 707
Additions, improvements	3 867 500	55 800 557	59 668 057
Disposal or write-off	3 185 000	1 578 317	4 763 317
31.12.2024.	682 500	104 992 947	105 675 447

## 4. Loans to related companies

	31.12.24. EUR	31.12.23. EUR
Long-term loans with a repayment term in December, 2026	30 000	0
Total	30 000	0

5. Loans to associates

	31.12.24. EUR	31.12.23. EUR
Long-term loans with a final repayment term in September, 2025	0	703 050
Total	0	703 050

6. Other securities and investments

	31.12.24. EUR	31.12.23. EUR
Investments in funds	14 693 908	10 437 052
Financial instruments - securities (stocks and bonds)	17 857 134	18 792 017
Investments in companies with under 20% of total shares held	1 031 777	318 700
Total	33 582 819	29 547 769

7. Other loans and other long-term receivables

	31.12.24. EUR	31.12.23. EUR
Loans to legal persons with a repayment term until April, 2029	175 500	92 608
Other receivables - receivables of the assignment of claim agreement with the repayment term in December, 2029	7 220	0
Long-term settlements with trade receivables	10 511	0
Total	193 231	92 608

8. Inventory

	31.12.24. EUR	31.12.23. EUR
raw materials and materials consist of purchased and unused fuel for vehicles in the reporting year	22	27
Total	22	27

9. Receivables

	31.12.24. EUR	31.12.23. EUR
trade receivables are evaluated and expected to be recoverable	699	10 114 896
3. receivables from associates - short-term loans	0	1 340 956
other receivables - settlements with share buyers	3 008 462	509 342
short-term loans to legal persons	825 578	42 000
security deposits	94	563
advance payments for services, goods	638	0
prepaid expenses		
insurance costs (paid)	0	205
subscription costs	455	357
rent	0	2 025
accrued income - accumulated % of other securities and investments	93 840	0
Total	3 929 766	12 010 344

10. Cash

	31.12.24. EUR	31.12.23. EUR
Cash on current accounts	2 159 673	721 129
	Kopā 2 159 673	721 129

11. Information about share capital

The registered and fully paid share capital of the Company on January 1, 2024 consisted of 40820845 ordinary shares with a nominal value of 1.-EUR. During the reporting period, a reorganization has taken place, SIA ALPPES Capital has been reorganized into AS ALPPES Capital. After the reorganization, the share capital of the company consists of 40820845 (forty million, eight hundred twenty thousand, eight hundred forty-five) shares, all of which are shares of one category - ordinary shares. The nominal value of each share is EUR 1 (one euro).

The share capital has been increased in the reporting year. AS ALPPES Capital increased the share capital by 28200000 shares with a monetary contribution, the nominal value of each share is EUR 1 (one euro).

Registered and fully paid share capital of the Company at December 31, 2024 consists of 69020845 ordinary shares with a nominal value of 1 EUR (one year) per share.

12. Loans from credit institutions (non-current)

	31.12.24. EUR	31.12.23. EUR
Loans from credit institutions	0	1 286 866
	Total 0	1 286 866

13. Other loans (non-current)

	31.12.24. EUR	31.12.23. EUR
Loans with repayment terms later than a year, but no more than 5 years	0	892 950
	Total 0	892 950

14. Other payables (non-current)

	31.12.24. EUR	31.12.23. EUR
Liabilities to the creditor with a repayment term of 2026	3 988	4 938
	Total 3 988	4 938

15. Other loans (current)

	31.12.24. EUR	31.12.23. EUR
Short-term loans from legal persons	0	1 264 080
	Total 0	1 264 080

16. Trade payables to suppliers and contractors

	31.12.24. EUR	31.12.23. EUR
Payables for services received for the needs of business activity with a repayment term in the next reporting year	2 118	7 887
Total	2 118	7 887

17. Taxes and mandatory state social insurance contributions

	31.12.24. EUR	31.12.23. EUR
State mandatory social insurance contributions	8 090	5 825
Personal income tax	3 270	3 223
Corporate income tax	608	11392
Risk fee	3	3
Company Car Tax	490	0
Total	12 461	20 443

18. Other payables

	31.12.24. EUR	31.12.23. EUR
Salaries and deductions from salaries	12 691	12 166
Total	12 691	12 166

19. Unpaid dividends

	31.12.24. EUR	31.12.23. EUR
in the beginning of the reporting period	0	0
calculated in the reporting year	49 468 799	10 900 000
paid in the reporting year	48 453 799	10 900 000
at the end of the reporting period	1 015 000	0

20. Accrued liabilities

	31.12.24. EUR	31.12.23. EUR
Accrued liabilities for unused annual leave	22 473	0
Other accrued liabilities	591 623	0
Total	614 096	0

## Notes to the profit and loss statement

### 21. Net turnover

	31.12.24. EUR	31.12.23. EUR
<b>a) Revenue segmented by types of operating activity</b>		
Income from sale of shares (6420 NACE 2.red.)	3 333 718	3 618 670
Income from office services (7022 NACE 2.red.)	0	11 850
Coupon income (6499 NACE 2.red.)	147 328	52 838
Income from sale of securities (6499 NACE 2.red.)	10 137 693	19 985 845
	<b>Total</b>	<b>23 669 203</b>
<b>b) Revenue segmented by geographical region</b>		
Latvia	13 618 739	23 669 203
	<b>Total</b>	<b>23 669 203</b>

### 22. Costs of goods sold or services provided

	31.12.24. EUR	31.12.23. EUR
Acquisition cost of sold shares and securities	13 372 853	23 975 899
Salaries to employees	219 345	193 502
Health insurance expenses	1 620	2 433
Social insurance contributions	51 227	46 043
Depreciation of fixed assets and intangible assets	10 244	8 268
Accruals for unused annual leave	22 473	0
Low-value inventory	0	177
Insurance contributions (except for employee insurance)	205	247
Communication services (phone; mob. phone; internet; mail)	9 433	10 516
Utility costs	5 977	6 730
Security services	429	372
Rent costs (premises, land, equipment, transport, etc.)	42 865	58 590
Maintenance costs	506	675
Costs of maintenance and repairs of fixed assets	4 724	8 605
Car maintenance and repair costs	8 316	27 824
Bank charges and comission fee expenses	206 271	37 119
Other expenses (bank; legal services; business trips, stationery, etc.)	4 533	10 615
	<b>Total</b>	<b>24 387 615</b>

23. Selling expenses

	31.12.24. EUR	31.12.23. EUR
Marketing, client acquisition and advertising costs	100 249	43 582
Other selling expenses	6 613	91
Total	106 862	43 673

24. Administrative expenses

	31.12.24. EUR	31.12.23. EUR
Salaries to employees	0	64 443
Health insurance contributions	0	547
Social insurance contributions	0	14 169
Outsourced accounting and office services	1 097	4 213
Financial reporting services	14 520	23 716
Bank charges	38 600	88 478
Legal service expenses	29 502	29 031
Depreciation of fixed assets	0	4 520
Representation expenses	526	0
Other administrative expenses	52 370	18 646
Total	136 615	247 763

25. Other operating income

	31.12.24. EUR	31.12.23. EUR
Income from the difference between the market value of the securities on the market/stock exchange	45 174 525	0
Other income	169 419	3 640 515
Total	45 343 944	3 640 515

26. Other operating expenses

	31.12.24. EUR	31.12.23. EUR
Losses from investments	703 328	2 195 859
Fines and penalties paid	59	347
Losses from the difference between the market value of the securities on the market/stock exchange	0	5 054 868
Losses from buying or selling foreign currency	62	0
Donations	82 500	68 400
Net loss on sale of fixed assets	0	194
Losses on disposal of fixed assets	0	387
Compensations	53 060	92 486
Amounts irrecoverable from debtors	0	6 248
Other expenses	29 496	93 867
Total	868 505	7 512 656

27. Financial risk management

The Company's most significant financial instruments are loans and cash. The main purpose of these financial instruments is to ensure the financing of the Company's operating activities.

Financial risks

The main financial risks associated with the Company's financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

The Company is exposed to interest rate risk related to its long-term borrowings.

Liquidity risk

The Company manages its liquidity risk by maintaining an adequate amount of cash or ensuring adequate financing.

Credit risk

The Company is exposed to credit risk through its issued loans and cash. The Company controls its credit risk by constantly evaluating the payment history of customers and setting credit terms for each customer individually. In addition, the Company continuously monitors receivable balances to minimize the possibility of bad debts.

28. Events after the reporting period

In the period from the last day of the reporting year to the date of signing this financial report, there have been no events that would have required adjustments or additional information to be disclosed in this financial report.

Board/ chief accountant prepared  
the Company's annual report for  
2024 and signed it on February 21, 2025.

Chairman of the Board  
Aigars Kesenfelds

Chief accountant  
Inga Kestere



Joint stock company “ALPPES Capital”  
Unified registration number 52103097551